

File 90

Twenty-fifth Annual Report

of

**COMBINED METAL MINES
LIMITED**



For the Year Ended March 31st, 1964

COMBINED METAL MINES LIMITED

AUTHORIZED CAPITALIZATION

3,500,000 shares without nominal or par value

DIRECTORS

M. J. BOYLEN, D.C.L., D.Sc. - - - - Toronto, Ontario
DAVID W. GORDON, F.C.I.S. - - - - Toronto, Ontario
C. S. KENNEDY - - - - - Toronto, Ontario
ROBERT J. ISAACS, B.A.Sc., P.Eng. - - - - Toronto, Ontario
GORDON L. MOORE - - - - - Toronto, Ontario

OFFICERS

DAVID W. GORDON, F.C.I.S. - - - - - President
ROBERT J. ISAACS, B.A.Sc., P.Eng. - - - - Vice-President
GORDON L. MOORE - - - - - Secretary-Treasurer
CHARLES B. BRANNIGAN - - - - - Assistant Secretary

HEAD OFFICE

330 BAY STREET - - - - - Toronto, Ontario

AUDITORS

COSSAR, HECTOR, PAYNE & CO.,
Chartered Accountants,
Toronto, Ontario.

ANNUAL REPORT FOR THE YEAR ENDED MARCH 31st, 1964

COMBINED METAL MINES LIMITED

Directors' Report

TO THE SHAREHOLDERS:

The Twenty-Fifth Annual Report of the Company, including its Balance Sheet and Statement of Deferred Mine Development and Administrative Expenses, covering the fiscal year ended March 31st, 1964, and the Report of the Auditors, is submitted for your consideration.

The Balance Sheet in comparison with that of the previous year, indicates minor changes have taken place in the financial position of the Company. During 1963, the Company sold and issued 200,000 shares of its capital stock for a cash consideration of \$40,000.00, and increased its share holdings in Atlantic Coast Copper Corporation Limited by purchasing on the open market an additional 18,300 shares.

The mining claims held in McGarry Township, Province of Ontario, and the claims held under a Mining Licence situated in the Bathurst area adjoining the Austin-Brook property of Brunswick Mining and Smelting Corporation Limited on the east, are maintained in good standing. No additional work was carried out on the Province of Ontario property during the past year. A programme consisting of gravity and electromagnetic surveys and 2,251 feet of diamond drilling was carried out on the New Brunswick property during 1963 - 1964. The results of this work, although not conclusive, were sufficiently encouraging to warrant additional work on this property.

The mining claims held by the Company in the Duncan Lake Area of New Quebec, were examined by the Company during the 1963 field season. A considerable amount of work was done on adjoining properties by other mining companies which failed to disclose economic concentrations of ore, and the area previously flown by an associate company failed to show any anomalies of interest. As a result, there was no good reason for proceeding with a programme of exploration thereon calling for sizeable expenditures, and the claims were abandoned.

The claims held by the Company in the Indian House, Lac Romanet region of New Quebec were acquired early in 1962, and were given a fairly detailed geological examination and some prospecting during the 1962 field season. The work failed to disclose mineralization of economic importance, and after their re-appraisal in 1963, were allowed to lapse.

Your Company completed a total of 2,083 feet of diamond drilling in four holes on the property held under Option situated in Cape Breton County of the Province of Nova Scotia. The results of this work were disappointing in that all the anomalies tested were found to be caused by pyrite associated with graphite and minor magnetite. No lead-zinc values of any consequence were associated with the extensive pyrite mineralization noted in the drill holes. The Option, as a result, was abandoned on September 5th, 1963.

The policy of searching for new mining prospects of merit will be continued.

Submitted on behalf of the Board of Directors,

DATED at Toronto, Ontario,
the 9th day of June, 1964.

D. W. GORDON,
President.

COMBINED METAL MINES LIMITED

Balance Sheet as at 31 March 1964

ASSETS

MARKETABLE SECURITIES — at cost — Note 1 (quoted market value \$412,894.00)	\$355,649.98
OTHER INVESTMENTS — at cost	2,511.00
MINING PROPERTIES at cost	
Land held under mining license 850A in the Parish of Bathurst, County of Gloucester, Province of New Brunswick, comprising 1,250 acres	\$118,227.30
16 claims under Mining Land Patent and for mining license of occupancy in the Township of McGarry, Province of Ontario	99,962.63
	<hr/>
	218,189.93
DEFERRED OPERATING EXPENSES — per attached	220,189.38

NOTE 1: Marketable securities include 499,961 shares of Atlantic Coast Copper Corporation Limited with a book value of \$328,656.98 and a market value of \$404,248.09.

Approved on behalf of the Board:

M. J. BOYLEN, Director.

G. L. MOORE, Director.

\$796,540.29

AUDITOR

To the Shareholders of
COMBINED METAL MINES LIMITED.

We have examined the balance sheet of Combined Metal Mines Limited as at 31 March 1964 for the year ended on that date. Our examination included a general review of the accounts and such other information as we considered necessary in the circumstances.

In our opinion the accompanying balance sheet and statement of deferred mine development costs as at 31 March, 1964 and the results of its operations for the year ended on that date, are in accordance with the books and records of the company and that of the preceding year.

June 1, 1964.

MINES LIMITED

31 March, 1964

LIABILITIES

CURRENT LIABILITIES

Bank overdraft	\$	452.37
Accounts payable and accrued liabilities		3,243.99

OTHER LIABILITIES

Ontario - Prospectors Trust (two units to be exchanged for 666 $\frac{2}{3}$ shares of capital stock at 45¢ per share)		300.00
		<hr/>
	\$	3,996.36

CAPITAL

SHARE CAPITAL

AUTHORIZED:

3,500,000 shares of no par value

ISSUED AND FULLY PAID:

Balance 1 April, 1963	2,000,004	\$ 1,462,367.50
Issued during year — for cash	200,000	40,000.00
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Balance 31 March, 1964	2,200,004	1,502,367.50

DEFICIT ACCOUNT

Balance 1 April, 1963		686,570.65
Add: Claims abandoned	\$ 19,683.00	
Write-off of deferred develop- ment expenses applicable to claims abandoned	2,069.92	
Write-off of option payment	1,500.00	23,252.92
	<hr/>	<hr/>
Balance 31 March, 1964		709,823.57

792,543.93

\$796,540.29

PORT

h, 1964 and the statement of deferred mine development and administrative expenses
procedures and such tests of accounting records and other supporting evidence as we

ent and administrative expenses present fairly the financial position of the company
dance with generally accepted accounting principles applied on a basis consistent with

COSSAR, HECTOR, PAYNE & CO.,
Chartered Accountants.

COMBINED METAL MINES LIMITED

Statement of Deferred Mine Development and Administrative Expenses

	Total to 31 March, 1963	Year Ended 31 March, 1964	Total to 31 March, 1964
DEFERRED MINE DEVELOPMENT			
Diamond drilling	\$100,529.39	\$17,735.92	\$118,265.31
Surface exploration	62,520.50	4,404.03	66,924.53
Assaying	2,598.98	708.07	3,307.05
Maps and blueprints	238.93	—	238.93
Mining licenses and renewals	16,132.21	312.50	16,444.71
Taxes, fees, etc.	7,997.46	438.16	8,435.62
General expense	786.94	—	786.94
Surveys	18,379.47	2,250.00	20,629.47
Engineering and automotive equipment	2,911.25	—	2,911.25
	212,095.13	25,848.68	237,943.81
<i>Less: Development expenses of abandoned claims</i>	105,976.73	2,069.92	108,046.65
	<u>\$106,118.40</u>	<u>\$23,778.76</u>	<u>\$129,897.16</u>
ADMINISTRATIVE EXPENSES			
Advertising	\$ 2,606.33	\$ 125.67	\$ 2,732.00
Legal and audit fees	8,851.56	250.00	9,101.56
Interest and bank charges	8,145.97	2.15	8,148.12
Head office expenses	35,406.50	3,664.54	39,071.04
Office supplies	4,536.03	309.41	4,845.44
Postage	2,737.03	382.74	3,119.77
Security registration fees	3,577.34	365.00	3,942.34
Telephone and telegraph	585.57	88.14	673.71
Transfer agent and registration fees	18,363.45	1,000.23	19,363.68
Travel expense	3,696.09	18.45	3,714.54
Ontario capital and place of business tax	310.00	60.00	370.00
Bad debt expense	788.44	—	788.44
	89,604.31	6,266.33	95,870.64
	195,722.71	30,045.09	225,767.80
<i>Less: Rents and sundry income</i>	5,258.42	320.00	5,578.42
TOTAL DEFERRED EXPENSES	<u>\$190,464.29</u>	<u>\$29,725.09</u>	<u>\$220,189.38</u>

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